

20 FEB 2020



Haž-Zabbar Local Council

**Annual Budget
For
Financial Year
2020**

Table of Contents

Overview and Summary	<i>Page 3</i>
Budgeted Statement of Income and Expenditure	<i>Page 4</i>
Budgeted Statement of Affairs	<i>Page 5</i>
Cash Budget	<i>Page 6</i>
Detailed Estimates Of Income	<i>Page 7</i>
Detailed Estimates Of Expenditure	<i>Page 8</i>
Detailed Estimates Of Statement of Affairs	<i>Page 10</i>
Depreciation of Property, Plant and Equipment	<i>Page 11</i>

Overview and Summary

The Haz-Zabbar Local Council hereby presents its Annual Budget for the Financial Year 2020, that is based on the contractual obligations at the time of drawing up the estimates of both income and expenditure, as well as those obligations that can presently be foreseen to arise within the current year.

For the current year, the Council has based its primary income flow on the Central Government's allocation of € 1,050,527. The expenditure items, based on the current commitments of the Council are principally, the payroll costs at € 218,580, operations and maintenance costs at € 659,900 and administration and other costs at € 44,200. Other expenditure costs include € 120,817 of depreciation that is not in itself a cash outlay.

The estimated Capital Projects are expected to amount to €284,000. Such projects include new footpaths costing €50,000, Construction works, public convenience, construction of bring in site, installation of WiFi access points and a pedestrian zone estimated to cost €45,000, €25,000, €50,000, €15,000 and €54,000 respectively. Improvements and equipment costs at €45,000. Improvement works and equipment includes projects such as the restoration of the statue of Christ Redeemer, restoration of the statue of St Joseph, irrigation systems in Gnien il-Kunsill and Gnien il-Mistrieħ, purchasing of a motor van and new street lighting. These projects are expected to be funded through Government schemes, Transport Malta, EU funds and from the Council's retained funds.

SIGNED

SIGNED

Jorge Grech
Mayor

Stephanie Testaferrata de Noto
Executive Secretary

Budgeted Statement of Income and Expenditure

DESCRIPTION

BUDGET Jan-Dec 2019	FORECAST Jan-Dec 2019	BUDGET Jan-Dec 2020	VARIANCE Bud-Bud	VARIANCE Bud-Act
€	€	€	€	€

Income

Funds received from Central Government (1)	1,076,613	1,007,698	1,080,527	3,914	72,829
Income raised from Bye-Laws (2)	33,729	37,942	25,500	(8,229)	(12,442)
Income raised from LES (3)	9,451	7,520	9,000	(451)	1,480
Investment Income (4)	320	86	200	(120)	114
Other Income (5)	12,427	9,787	500	(11,927)	(9,287)
TOTAL	1,132,540	1,063,033	1,115,727	(16,813)	52,694

Expenditure

Personal Emoluments (6)	205,335	174,208	218,580	13,245	44,372
Operations and Maintenance (7)	580,900	538,562	659,900	99,000	121,338
Administration (8)	61,565	49,457	44,200	(17,365)	(5,257)
Finance Cost (9)	-	-	-	-	-
Other Expenditure (10)	94,489	247,037	120,817	26,328	(126,220)
TOTAL	922,289	1,009,264	1,043,497	121,208	34,233

Surplus / Deficit

210,251	53,769	72,230	(138,021)	18,461
----------------	---------------	---------------	------------------	---------------

Budgeted Statement of Affairs

DESCRIPTION	BUDGET as at 31 Dec 2019 €	FORECAST as at 31 Dec 2019 €	BUDGET as at 31 Dec 2020 €	VARIANCE Bud-Bud €	VARIANCE Bud-Act €
Non-current Assets					
Property, Plant and Equipment (10)	1,171,374	1,128,320	1,291,503	120,129	163,183
Current Assets					
Inventories (11)	11,935	9,488	9,488	(2,447)	-
Receivables (12)	110,897	150,801	140,301	29,404	(10,500)
Cash and Cash Equivalents (13)	747,667	817,696	746,908	(759)	(70,788)
Total Current Assets	870,499	977,985	896,697	26,198	(81,288)
Current Liabilities (14)					
Payables	176,070	222,290	217,415	41,345	(4,875)
Current portion of Long-Term Borrowings	-	-	-	-	-
Total Current Liabilities	176,070	222,290	217,415	41,345	(4,875)
Net Current Assets	694,429	755,695	679,282	(15,147)	(76,413)
Non-current liabilities (15)	52,574	50,222	8,046	(44,528)	(42,176)
Net Assets	1,813,229	1,833,793	1,962,739	149,510	128,946
Reserves					
Retained Funds	1,813,229	1,833,793	1,906,023	92,794	72,230

Financial Situation Indicator

DESCRIPTION	BUDGET as at 31 Dec 2019 €	FORECAST as at 31 Dec 2019 €	BUDGET as at 31 Dec 2020 €
Current Assets	870,499	977,985	896,697
Current Liabilities	176,070	222,290	217,415
Total Long-Term Liabilities	52,574	50,222	8,046
Commitments approved by Ministry	-	-	-
	641,855	705,473	671,236
Government Allocation	1,076,613	1,007,698	1,080,527
FSI	59.62%	70.01%	62.12%

Cash Budget

DESCRIPTION	QTR 1	QTR 2	QTR 3	QTR 4	TOTAL
	JAN-MAR	APR-JUN	JUL-SEP	OCT-DEC	
	2020	2020	2020	2020	
	€	€	€	€	
Cash Inflows					
Government cash inflows	262,632	262,632	262,632	292,632	1,080,527
Cash flows from Bye-Laws & L.N fees	6,375	6,375	6,375	6,375	25,500
Local Enforcement cash flows	2,250	2,250	2,250	2,250	9,000
Finance cash flows					
Loan Proceeds	-	-	-	-	-
Investment income	-	-	-	200	200
	-	-	-	200	200
Capital cash flow					
Proceeds from disposal of assets	-	-	-	-	-
	-	-	-	-	-
Cash received from EU funds		-	-	-	-
Cash received from Twinning	-	-	-		-
Cash from Community Services					-
Other Cash Inflows	125	125	125	125	500
TOTAL Inflows	271,382	271,382	271,382	301,582	1,115,727
Cash Outflows					
Personal Emoluments	61,000	53,000	52,290	52,290	218,580
Operations & Maintenance	156,225	151,225	171,225	181,225	659,900
Administration	14,800	9,800	9,800	9,800	44,200
Finance	-	-	-	-	-
Capital					
Acquisition of property	-	-	-	-	-
Construction	5,000	12,000	12,000	21,000	50,000
Improvements	2,000	1,000	3,000	2,000	8,000
Special programmes	10,450	49,550	15,500	44,500	120,000
Equipment	500	500	500	500	2,000
	17,950	63,050	31,000	68,000	180,000
Cash outflows re EU projects	-	-	-	-	-
Cash outflows re Twinning	-	-	-	-	-
Cash outflows re Community Services	-	-	-	-	-
Cash outflow re PPP Payment	4,137	4,138	4,138	4,138	16,551
	4,137	4,138	4,138	4,138	16,551
TOTAL Outflows	254,112	281,213	268,453	315,453	1,119,231
SURPLUS / (DEFICIT)	17,270	(9,831)	2,929	(13,871)	(3,504)
Brought forward (Bank /Cash Bal.)	817,696	834,966	825,135	828,063	817,696
Carry forward	834,966	825,135	828,063	814,192	814,192

Detailed Estimates of Income

DESCRIPTION

A	B	C	D (B + C)	E	F (E - A)	G (E - D)
BUDGET Jan-Dec 2019	ACTUAL Jan-Sept 2019	FORECAST Oct-Dec 2019	TOTAL Jan-Dec 2019	BUDGET Jan-Dec 2020	VARIANCE Bud-Bud	VARIANCE Bud-Act
€	€	€	€	€	€	€

Income

1 Funds received from Central Government:

0001 In terms of section 55 CAP 363

0002-0004 In terms of section 58 CAP 363

0005-0010 Other Income

959,161	703,294	244,739	948,033	1,040,527	81,366	92,494
30,072			-	10,000	(20,072)	10,000
87,380	53,923	5,742	59,665	30,000	(57,380)	(29,665)
1,076,613	757,217	250,481	1,007,698	1,080,527	3,914	72,829

2 Bye-Laws & Legal Fees

0021-0025 Community Services

0026-0030 Income from Permits

1,500	1,116	178	1,294	500	(1,000)	(794)
32,229	28,619	8,029	36,648	25,000	(7,229)	(11,648)
33,729	29,735	8,207	37,942	25,500	(8,229)	(12,442)

3 Local Enforcement Income

0036-0037 Contraventions

0038-0050 Lic Administrative Charges

-	-	-	-	-	-	-
9,451	5,500	2,020	7,520	9,000	(451)	1,480
9,451	5,500	2,020	7,520	9,000	(451)	1,480

4 Investment Income

0051-0055 Bank Interest

0056-0059 Income received from Government Securities

320		86	86	200	(120)	114
-	-		-	-	-	-
320	-	86	86	200	(120)	114

5 0056-0059 Sponsorships

0060-0069 Documents & Information

0070-0075 EU Funds

0076-0080 Twinning

0081-0089 Insurance Claims

0100-0109 General Income

0110-0119 Donations

0120-0129 Contributions

0130-0139 General Income

11,445			-		(11,445)	-
446	8,928		8,928		(446)	(8,928)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
473	859		859	500	27	(359)
63	-	-	-		(63)	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
12,427	9,787	-	9,787	500	(11,927)	(9,287)

Total

1,132,540	802,239	260,794	1,063,033	1,115,727	(16,813)	52,694
-----------	---------	---------	-----------	-----------	----------	--------

Detailed Estimates of Expenditure

DESCRIPTION	A	B	C	D (B + C)	E	F (E - A)	G (E - D)
	BUDGET Jan-Dec 2019	ACTUAL Jan-Sept 2019	FORECAST Oct-Dec 2019	TOTAL Jan-Dec 2019	BUDGET Jan-Dec 2020	VARIANCE Bud-Bud	VARIANCE Bud-Act
	€	€	€	€	€	€	€
6 Personal Emoluments							
1100-1101 Mayor & Councilor's Allowance	38,272	26,642	11,326	37,968	47,100	8,828	9,132
1200 Employees' Salaries & Wages	133,852	84,476	22,400	106,876	135,000	1,148	28,124
1300 Bonuses	3,587	2,286	655	2,941	3,400	(187)	459
1400 Income Supplements	8,799	-	7,000	7,000	10,000	1,201	3,000
1500 Social Security Contributions	12,445	8,403	1,535	9,938	13,700	1,255	3,762
1600 Allowances	1,380	989	335	1,324	1,380	-	56
1700 Overtime	7,000	6,811	1,350	8,161	8,000	1,000	(161)
	205,335	129,607	44,601	174,208	218,580	13,245	44,372
7 Operations and Maintenance							
2100-2101 Public Utilities	5,500	4,332	2,500	6,832	5,500	-	(1,332)
2200-2201 Materials & Supplies	2,000	1,122	800	1,922	2,000	-	78
2300-2301 Repairs & Upkeep	50,000	40,498	16,769	57,267	60,000	10,000	2,733
2400-2401 Rent	5,000	3,300	1,200	4,500	5,000	-	500
3000 Street Lighting	20,000	12,899	4,800	17,699	20,000	-	2,301
3020 Lease of Equipment	-	-	-	-	-	-	-
3030 Insurance	6,000	3,574	-	3,574	5,000	(1,000)	1,426
3035 Bank Charges	400	249	65	314	400	-	86
3038 Penalties	300	-	-	-	300	-	300
3040 Waste Disposal	-	-	-	-	-	-	-
3041 Refuse Collection	190,000	131,821	61,624	193,445	260,000	70,000	66,555
3042 Bulky Refuse Collection	30,000	20,141	10,900	31,041	30,000	-	(1,041)
3043 Bins on wheels	500	-	-	-	-	(500)	-
3044 Bins in sites	1,000	-	-	-	1,000	-	1,000
3050-3051 Road & Street Cleaning	60,000	36,428	24,000	60,428	100,000	40,000	39,572
3052 Cleaning & Maintenance of Non-Urban Areas	20,000	8,528	8,220	16,748	26,000	6,000	9,252
3053 Cleaning of Public Conveniences	25,000	17,579	6,442	24,021	25,000	-	979
3055 Cleaning of Council Premises	1,200	760	681	1,441	1,200	-	(241)
3056 Other Contractual Services	3,000	1,834	250	2,084	21,000	18,000	18,916
3061 Cleaning & Maintenance of Parks & Gardens	10,000	8,883	2,825	11,708	10,000	-	(1,708)
3062 Cleaning & Maintenance of Soft Areas	20,000	13,278	5,444	18,722	32,000	12,000	13,278
3063 Cleaning & Maintenance of Beaches & CA	-	-	-	-	-	-	-
3064 Cleaning & Maintenance of Country Non-Urban	-	-	-	-	-	-	-
3070-3080 Consultation Fees	5,000	-	-	-	2,000	(3,000)	2,000
3100-3120 Contract & Project Management	5,000	3,834	2,550	6,384	5,000	-	(1,384)
3300-3370 Hospitality	80,000	67,579	12,000	79,579	45,000	(35,000)	(34,579)
3380-3385 Community	20,500	144	600	744	3,000	(17,500)	2,256
3390-3394 Donations	-	-	-	-	-	-	-
3600-3604 Local Enforcement Expenses	500	73	36	109	500	-	391
3700-3705 EU Projects	-	-	-	-	-	-	-
3800-3805 Twinning	-	-	-	-	-	-	-
	560,900	376,856	161,706	538,562	659,900	99,000	121,338

Detailed Estimates of Expenditure (Continued)

DESCRIPTION	A	B	C	D (B + C)	E	F (E - A)	G (E - D)
	BUDGET	ACTUAL	FORECAST	TOTAL	BUDGET	VARIANCE	VARIANCE
	Jan-Dec	Jan-Sept	Oct-Dec	Jan-Dec	Jan-Dec		
	2019	2019	2019	2019	2020	Bud-Bud	Bud-Act
	€	€	€	€	€	€	€
II Administration & Other Expenditure							
2150-2199 Office Utilities	10,000	8,668	500	9,168	9,000	(1,000)	(168)
2200-2299 Office Materials & Supplies	1,500	-	-	-	1,500	-	1,500
2450-2499 Office Rent	1,365	-	500	500	1,000	(365)	500
2500-2599 National & International Memberships	1,050	-	540	540	1,000	(50)	460
2600-2699 Office Services	10,000	5,977	1,500	7,477	3,000	(7,000)	(4,477)
2700-2799 Transport	8,000	5,509	400	5,909	5,000	(3,000)	(909)
2800-2899 Travel	1,500	1,290	-	1,290	3,500	2,000	2,210
2900-2999 Information Services	7,500	3,011	2,115	5,126	8,000	(1,500)	874
3140-3199 Professional Services	20,000	16,047	3,050	19,097	14,000	(6,000)	(5,097)
3200-3299 Training	100	350	-	350	100	-	(250)
3345 Office Hospitality	500	-	-	-	-	(500)	-
3400-3499 Incidental Expenses	50	-	-	-	100	50	100
			-	-	-	-	-
	61,565	40,852	8,605	49,457	44,200	(17,365)	(5,257)
III Finance Costs							
3000 Interest on Bank Loan	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
IV Other Expenditure							
3500-3599 Loss / (Profit) on Disposal of assets	-	-	-	-	-	-	-
3995 Increase/(Decrease) in allowance for bad debts	-	-	-	-	-	-	-
4000-4099 Depreciation	94,489	89,697	157,340	247,037	120,817	26,328	(126,220)
	94,489	89,697	157,340	247,037	120,817	26,328	(126,220)
Total	922,289	637,012	372,252	1,009,264	1,043,497	121,208	34,233

Detailed Estimates of Statement Of Affairs

DESCRIPTION	A	B	C	D (B + C)	E	F (E - A)	G (E - D)
	BUDGET Jan-Dec	ACTUAL as at 30-Sep	FORECAST changes from 30-Sep-31-Dec	TOTAL as at 31-Dec	BUDGET Jan-Dec	VARIANCE Bud-Bud	VARIANCE Bud-Act
	2019	2019	2019	2019	2020		
	€	€	€	€	€	€	€
# Inventory							
5201-5249 Stationery	-	-	-	-	-	-	-
5250-5299 Consumables	-	-	-	-	-	-	-
Books	11,935	11,710	(2,222)	9,488	9,488	(2,447)	-
	11,935	11,710	(2,222)	9,488	9,488	(2,447)	-
# Receivables							
0201-0209 Receivables	6,229	51,096	(30,018)	21,078	15,828	9,599	(5,250)
0210-0219 LES Receivables	-	-	-	-	-	-	-
0220-0229 Receivables from EU	-	-	-	-	-	-	-
5250 Prepayments & Accrued income	104,668	132,573	(2,850)	129,723	124,473	19,805	(5,250)
Government Grants	-	-	-	-	-	-	-
	110,897	183,669	(32,868)	150,801	140,301	29,404	(10,500)
# Cash & Equivalents							
5001-5099 Bank & Cash Balances	747,667	865,022	(47,326)	817,696	746,908	(759)	(70,788)
	747,667	865,022	(47,326)	817,696	746,908	(759)	(70,788)
# Payables							
4000 Payables	93,123	87,973	107,790	195,763	190,888	97,765	(4,875)
4100 Accruals	82,947	50,025	(23,498)	26,527	26,527	(56,420)	-
4150 Deferred Income	-	79,430	(79,430)	-	-	-	-
Current portion of Long-Term Borrowings	-	-	-	-	-	-	-
Amounts due to other Councils	-	-	-	-	-	-	-
	176,070	217,428	4,862	222,290	217,415	41,345	(4,875)
# Non Current Liabilities							
4200 Long Term Borrowings	-	-	-	-	-	-	-
PPP	52,574	179,800	(129,578)	50,222	8,046	(44,528)	(42,176)
	52,574	179,800	(129,578)	50,222	8,046	(44,528)	(42,176)

16 Depreciation of Property, Plant and Equipment

Asset	%	Trees										Total						
		Construction		Furn & Fittings		Street Signs		Urban Improvements		Office Equipment			Plant & Machinery		Motor Vehicles		Not Yet Capitalised	
		€	10%	€	8%	€	100%	€	10% & 100%	€	20% & 25%		€	20%	€	20%	€	€
Cost																		
As at 01 January 2020		12,616	1,760,926		99,100		31,395		446,749		54,815		20,891		18,386		102,041	2,546,919
Additions		-	189,000		-		-		63,000		-		17,000		15,000		-	284,000
Disposals		-	-		-		-		-		-		-		-		-	-
As at 31 December 2020		12,616	1,949,926		99,100		31,395		509,749		54,815		37,891		33,386		102,041	2,830,919
Grants/ other reimbursements																		
As at 01 January 2020		-	-		-		-		-		-		-		-		-	-
Additions		-	-		-		-		-		-		-		-		-	-
As at 31 December 2020		-	-		-		-		-		-		-		-		-	-
Accumulated Depreciation																		
As at 01 January 2020		-	1,047,829		68,043		31,395		200,647		31,588		20,711		18,386		-	1,418,599
Charge for the year		-	80,679		2,485		-		25,410		5,807		3,436		3,000		-	120,817
Released on disposal		-	-		-		-		-		-		-		-		-	-
As at 31 December 2020		-	1,128,508		70,528		31,395		226,057		37,395		24,147		21,386		-	1,539,416
Budgeted NBV 31 Dec 2019																		
As at 01 January 2020		12,156	751,375		29,877		0		39,704		4,993		9,814		201		323,254	1,171,374
Forecasted NBV 1 Jan 2020		12,616	713,097		31,057		-		246,102		23,227		180		-		102,041	1,128,320
Budgeted NBV 31 Dec 2020		12,616	821,418		28,572		-		283,692		17,420		13,744		12,000		102,041	1,291,503